



**MCI Communications
Corporation**

1801 Pennsylvania Avenue, NW
Washington, DC 20006
202 887 3351
FAX 202 887 2446

Jonathan B. Sallet
Chief Policy Counsel

DOCKET FILE COPY ORIGINAL

ORIGINAL

November 6, 1997

EX PARTE OR LATE FILED

RECEIVED

NOV - 6 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Mr. Richard Metzger
Chief, Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: **EX PARTE**
Local Number Portability, CC Docket No. 95-116

Dear Mr. Metzger:

For the past 18 months, MCI has actively partnered with other industry participants to develop and deploy a long-term local number portability (LNP) solution in the Chicago, Illinois, Metropolitan Statistical Area (MSA). These efforts resulted in a series of successful ports of local telephone numbers in Chicago in August 1997, and culminated in the filing of the Illinois FCC LNP Field Test Final Report (LNP Field Test Report) by participating carriers on October 17, 1997, at the Federal Communications Commission (Commission).

Notwithstanding these significant milestones, at an industry meeting on October 30, Ameritech suddenly announced its intention to refuse to move forward with its commitment to deploy long-term LNP in Chicago on November 3. Ameritech's newly announced anti-competitive stance completely contradicts its representations in the LNP Field Test Report that it is fully prepared to deploy long-term LNP in Chicago.

In the Field Test Report, Ameritech stated that:

[b]ased on the results of the testing during the trial, Ameritech is prepared to offer local number portability (LNP) concurrent with the general availability of the Number Portability Administration Center (NPAC).

LNP Field Test Report, p. 20. Ameritech also stated in the LNP Field Test Report that it was "now prepared to implement local number portability."¹

¹ LNP Field Test Report, p. 22.

Mr. Richard Metzger
Federal Communications Commission
November 6, 1997
Page 2

There is no question that the NPAC, Lockheed Martin, has made all the necessary network changes, such that long-term LNP could have been deployed in the Chicago MSA on November 3, 1997. By Ameritech's own admission in the LNP Field Test Report, it too is prepared to implement long-term LNP. Ameritech's delay is thus wholly inconsistent with industry plans and LNP deployment goals, and confirms Ameritech's intention to perpetuate yet another barrier to local competition in its region.

On October 31, 1997, Donald T. Lynch, MCI's Senior Vice President of Local Financial Operations, sent a letter to Barry K. Allen, Ameritech's Executive Vice President, questioning Ameritech's decision to refuse to deploy long-term LNP on November 3, and indicating that MCI was prepared to deploy LNP in Chicago with no guaranteed cost recovery. In a November 4 response, Mr. Allen blamed Ameritech's refusal to comply with its commitment to deploy LNP on November 3 on the Commission's failure to establish a cost recovery mechanism. Mr. Allen's letter omits the obvious reality that for months, without a cost recovery mechanism, Ameritech has incurred LNP costs, and must have expected, as did MCI, that those costs would be trueed-up and accounted for after the FCC issued a cost recovery order. Ameritech's last minute decision to refuse to make long-term LNP available in Chicago on November 3, and to place the blame for its foot dragging squarely at the feet of the Commission, in spite of two years of joint industry efforts and a competitively neutral true-up mechanism should not be tolerated.

Ameritech's refusal to honor its commitment to deploy LNP on November 3 comes on the heels of its chairman's public statement that it is "impossible" to follow the long distance entry "roadmap," which he previously hailed as a victory when the Commission denied Ameritech's application to provide in-region interLATA telecommunications services in the state of Michigan. The only plausible conclusion to be drawn from this pattern of events is that Ameritech has no interest in opening its markets to local competition. The juxtaposition of Ameritech's chairman's comments and its decision not to proceed with a long-term LNP solution that is built and ready to be deployed would not appear to be coincidental.

The Commission's First Report and Order and Further Notice of Proposed Rulemaking recognizes that the ability of consumers to retain their telephone numbers when changing local service providers promotes competition, provides flexibility in the quality, price and variety of telecommunications services and, ultimately, benefits all users of telecommunications services.² The Commission has specifically stated that interim LNP methods are "far inferior" to the long-term Location Routing Number

² *In the Matter of Telephone Number Portability*, First Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 95-116, ¶ 30 (rel. July 6, 1996).

Mr. Richard Metzger
Federal Communications Commission
November 6, 1997
Page 3

users of telecommunications services.³ The Commission has specifically stated that interim LNP methods are "far inferior" to the long-term Location Routing Number (LRN) LNP mechanism in that they are inefficient, often unreliable, wasteful of the numbering resource and require new entrants to depend entirely on the networks of incumbent local exchange carriers, such as Ameritech, to provide service to customers.⁴

Ameritech now stands alone among all local service providers as the only carrier unwilling to deploy LNP in compliance with an agreed upon industry commitment. Ameritech's intention to delay long-term LNP until a cost recovery mechanism is ordered is only one of many Ameritech-imposed impediments to local competition, and one which completely denied to Chicago consumers the promised ability to switch to an Ameritech competitor without changing their telephone numbers on November 3, using the LRN methodology.

Ameritech's anti-competitive behavior illustrates its power as the monopolist to obstruct local competition, and must not be tolerated by the Commission. Ameritech's conduct also underscores the importance of implementation by the Commission of a competitively neutral long-term LNP cost recovery mechanism, which eliminates incumbents' ability to perpetuate monopoly strongholds, and ensures that new entrants are not unfairly burdened with long-term LNP costs as they struggle to bring the benefits of local competition to consumers around the country.

Sincerely



Jonathan B. Sallet

cc:	James Schlichting	Patrick Donovan
	Kathy Franco	Paul Gallant
	James Casserly	Neil Fried
	John Nakahata	Carol Matthey
	Tom Power	Jane Mago
	Katherine King	

³ *In the Matter of Telephone Number Portability*, First Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 95-116, ¶ 30 (rel. July 6, 1996).

⁴ *Id.*, ¶ 115.